

EXHIBIT “EE”

1 LORAL SPACE & COMMUNICATIONS LTD.
2 suggestions that there is hidden value beyond
3 the book value are that there is a recovery
4 likely in the Global Star bankruptcy based on
5 my review of the record and the statements
6 made by the parties today, I think that
7 expectancy is somewhat remote to say the
8 least. There was also a reference to a net
9 operating loss which the Debtor has taken
10 steps to protect in this case in the interests
11 of all parties. However, as I think the
12 parties here understand there are significant
13 hurdles in preserving such an asset as well as
14 significant issues in valuing such an asset.
15 One certainly can't take it at face value.

16 So as far as meeting the burden
17 of showing that there is solvency or near
18 solvency or a reasonable expectation of
19 solvency here, I do not believe that the
20 movants have established that burden or met
21 that burden.

22 Turning next to the factor of
23 timing. The main reason asserted for the
24 motion having been filed today is the pending
25 auction of the North American satellites. I

1 LORAL SPACE & COMMUNICATIONS LTD.
2 previously approved procedures for that
3 auction on notice to parties in interest with
4 the substantial input of the creditors
5 committee to insure that those procedures are
6 fair and maximize value.

7 As Judge Gropper found in the
8 Kaspar case, I do not see what an official
9 committee would add to those procedures in
10 maximizing value here. It appears to me at
11 this point unless there is, as we said last
12 week, Echo Star puts in a serious expression
13 of interest or whatever cliche you want to
14 use, it is a show stopper, it will be an
15 auction of those North American satellites.
16 And I do not believe that the appointment of
17 an official committee would meaningfully add
18 to the work done by the Debtor's investment
19 bankers and the committee's investment bankers
20 and professionals in maximizing the value of
21 that auction return pursuant to the procedures
22 already approved by the Court.

23 On the other hand, and this goes
24 also to the factor of the burden to the
25 various parties in interest, the appointment